

105TH CONGRESS  
1ST SESSION

# S. 16

To ensure the continued viability of livestock producers and the livestock industry in the United States, to assure foreign countries do not deny market access to United States meat and meat products, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

JANUARY 21, 1997

Mr. DASCHLE (for himself, Mr. HARKIN, Mr. JOHNSON, Mr. DORGAN, Mr. CONRAD, Mr. KERREY, Mr. BAUCUS, Mr. BINGAMAN, Mr. KOHL, Mr. FEINGOLD, Mr. LEAHY, and Mr. WELLSTONE) introduced the following bill; which was referred to the Committee on Agriculture, Nutrition, and Forestry

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## A BILL

To ensure the continued viability of livestock producers and the livestock industry in the United States, to assure foreign countries do not deny market access to United States meat and meat products, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the  
5 “Cattle Industry Improvement Act of 1997”.

1 (b) TABLE OF CONTENTS.—The table of contents of  
 2 this Act is as follows:

Sec. 1. Short title; table of contents.

#### TITLE I—CATTLE INDUSTRY IMPROVEMENT

- Sec. 101. Prohibition on noncompetitive practices.
- Sec. 102. Domestic Market Reporting.
- Sec. 103. Import reporting.
- Sec. 104. Protection of livestock producers against retaliation by packers.
- Sec. 105. Review of Federal agriculture credit policies.
- Sec. 106. Streamlining and consolidating the United States food inspection system.
- Sec. 107. Labeling system for meat and meat food products produced in the United States.
- Sec. 108. Sense of Senate on interstate shipment of State-inspected meat, poultry, and eggs.
- Sec. 109. Exchange of cattle production data with Canada.

#### TITLE II—MARKET ACCESS FOR UNITED STATES MEAT PRODUCTS

Sec. 201. Short title.

##### Subtitle A—Identification of Countries

- Sec. 211. Findings; purposes.
- Sec. 212. Identification of countries that deny market access.
- Sec. 213. Investigations.
- Sec. 214. Authorized actions by United States Trade Representative.

##### Subtitle B—Review of Third Country Meat Directive

- Sec. 221. Findings.
- Sec. 223. Definitions.
- Sec. 224. Requirement for determination by United States Trade Representative.
- Sec. 225. Request for dispute settlement.
- Sec. 226. Review of certain meat facilities.

## 3 **TITLE I—CATTLE INDUSTRY** 4 **IMPROVEMENT**

### 5 **SEC. 101. PROHIBITION ON NONCOMPETITIVE PRACTICES.**

6 Section 202 of the Packers and Stockyards Act, 1921  
 7 (7 U.S.C. 192), is amended—

8 (1) in subsection (g), by striking the period at  
 9 the end and inserting “; or”; and

1 (2) by adding at the end the following:

2 “(h) Engage in any practice or device that the Sec-  
3 retary by regulation, after consultation with producers of  
4 cattle, lamb, and hogs, and other persons in the cattle,  
5 lamb, and hog industries, determines is a detrimental non-  
6 competitive practice or device relating to the price or a  
7 term of sale for the procurement of livestock or the sale  
8 of meat or other byproduct of slaughter.”.

9 **SEC. 102. DOMESTIC MARKET REPORTING.**

10 (a) PERSONS IN SLAUGHTER BUSINESS.—Section  
11 203(g) of the Agricultural Marketing Act of 1946 (7  
12 U.S.C. 1622(g)) is amended—

13 (1) by striking “(g) To” and inserting the fol-  
14 lowing:

15 “(g) COLLECTION AND DISSEMINATION OF MARKET-  
16 ING INFORMATION.—

17 “(1) IN GENERAL.—To”; and

18 (2) by adding at the end the following:

19 “(2) DOMESTIC MARKET REPORTING.—

20 “(A) MANDATORY REPORTING.—Each per-  
21 son engaged in the business of slaughtering a  
22 quantity of livestock determined by the Sec-  
23 retary shall report to the Secretary in such  
24 manner as the Secretary shall require, as soon  
25 as practicable but not later than 24 hours after

1 a transaction takes place, such information re-  
2 lating to prices and the terms of sale for the  
3 procurement of livestock and the sale of meat  
4 food products and livestock products as the Sec-  
5 retary determines is necessary to carry out this  
6 subsection.

7 “(B) NONCOMPLIANCE.—Whoever know-  
8 ingly fails or refuses to provide to the Secretary  
9 information required to be reported by subpara-  
10 graph (A) shall be fined under title 18, United  
11 States Code, or imprisoned for not more than  
12 5 years, or both.

13 “(C) VOLUNTARY REPORTING.—The Sec-  
14 retary shall encourage voluntary reporting by  
15 any person engaged in the business of slaugh-  
16 tering livestock who is not subject to subpara-  
17 graph (A).

18 “(D) AVAILABILITY OF INFORMATION.—  
19 The Secretary shall make information received  
20 under this subsection available to the public  
21 only in the aggregate and shall ensure the con-  
22 fidentiality of persons providing the informa-  
23 tion.

24 “(E) TERMINATION OF AUTHORITY.—The  
25 authority provided by this paragraph shall ter-

1           minate on the date that is 1 year after the date  
2           of enactment of this paragraph, except that the  
3           Secretary may extend the authority beyond that  
4           date if the Secretary determines the extension  
5           is necessary or appropriate.”.

6           (b) ELIMINATION OF OUTMODED REPORTS.—The  
7   Secretary of Agriculture, after consultation with producers  
8   and other affected parties, shall periodically—

9           (1) eliminate obsolete reports; and

10          (2) streamline the collection and reporting of  
11   data related to livestock and meat and livestock  
12   products, using modern data communications tech-  
13   nology, to provide information to the public on as  
14   close to a real-time basis as practicable.

15          (c) DEFINITION OF “CAPTIVE SUPPLY”.—For the  
16   purpose of regulations issued by the Secretary of Agri-  
17   culture relating to reporting under the Agricultural Mar-  
18   keting Act of 1946 (7 U.S.C. 1621 et seq.) and the Pack-  
19   ers and Stockyards Act, 1921 (7 U.S.C. 181 et seq.), the  
20   term “captive supply” means livestock obligated to a pack-  
21   er in any form of transaction in which more than 7 days  
22   elapses from the date of obligation to the date of delivery  
23   of the livestock.

1 **SEC. 103. IMPORT REPORTING.**

2 (a) IN GENERAL.—The Secretary of Agriculture and  
 3 the Secretary of Commerce shall, using modern data com-  
 4 munications technology to provide the information to the  
 5 public on as close to a real-time basis as practicable, joint-  
 6 ly make available to the public aggregate price and quan-  
 7 tity information on imported meat food products, livestock  
 8 products, and livestock (as the terms are defined in section  
 9 2 of the Packers and Stockyards Act, 1921 (7 U.S.C.  
 10 182)).

11 (b) FIRST REPORT.—The Secretaries shall release to  
 12 the public the first report under subsection (a) not later  
 13 than 60 days after the date of enactment of this Act.

14 **SEC. 104. PROTECTION OF LIVESTOCK PRODUCERS**  
 15 **AGAINST RETALIATION BY PACKERS.**

16 (a) RETALIATION PROHIBITED.—Section 202(b) of  
 17 the Packers and Stockyards Act, 1921 (7 U.S.C. 192(b)),  
 18 is amended—

19 (1) by striking “or subject” and inserting “sub-  
 20 ject”; and

21 (2) by inserting before the semicolon at the end  
 22 the following: “, or retaliate against any livestock  
 23 producer on account of any statement made by the  
 24 producer (whether made to the Secretary or a law  
 25 enforcement agency or in a public forum) regarding  
 26 an action of any packer”.

1 (b) SPECIAL REQUIREMENTS REGARDING ALLEGA-  
 2 TIONS OF RETALIATION.—Section 203 of the Packers and  
 3 Stockyards Act, 1921 (7 U.S.C. 193), is amended by add-  
 4 ing at the end the following:

5 “(e) SPECIAL PROCEDURES REGARDING ALLEGA-  
 6 TIONS OF RETALIATION.—

7 “(1) CONSIDERATION BY SPECIAL PANEL.—The  
 8 President shall appoint a special panel consisting of  
 9 3 members to receive and initially consider a com-  
 10 plaint submitted by any person that alleges prohib-  
 11 ited packer retaliation under section 202(b) directed  
 12 against a livestock producer.

13 “(2) COMPLAINT; HEARING.—If the panel has  
 14 reason to believe from the complaint or resulting in-  
 15 vestigation that a packer has violated or is violating  
 16 the retaliation prohibition under section 202(b), the  
 17 panel shall notify the Secretary who shall cause a  
 18 complaint to be issued against the packer, and a  
 19 hearing conducted, under subsection (a).

20 “(3) EVIDENTIARY STANDARD.—In the case of  
 21 a complaint regarding retaliation prohibited under  
 22 section 202(b), the Secretary shall find that the  
 23 packer involved has violated or is violating section  
 24 202(b) if the finding is supported by a preponder-  
 25 ance of the evidence.”.

1 (c) DAMAGES FOR PRODUCERS SUFFERING RETAL-  
 2 IATION.—Section 203 of the Packers and Stockyards Act,  
 3 1921 (7 U.S.C. 193) (as amended by subsection (b)), is  
 4 amended by adding at the end the following:

5 “(f) DAMAGES FOR PRODUCERS SUFFERING RETAL-  
 6 IATION.—

7 “(1) IN GENERAL.—If a packer violates the re-  
 8 taliation prohibition under section 202(b), the pack-  
 9 er shall be liable to the livestock producer injured by  
 10 the retaliation for not more than 3 times the amount  
 11 of damages sustained as a result of the violation.

12 “(2) ENFORCEMENT.—The liability may be en-  
 13 forced either by complaint to the Secretary, as pro-  
 14 vided in subsection (e), or by suit in any court of  
 15 competent jurisdiction.

16 “(3) OTHER REMEDIES.—This subsection shall  
 17 not abridge or alter a remedy existing at common  
 18 law or by statute. The remedy provided by this sub-  
 19 section shall be in addition to any other remedy.”.

20 **SEC. 105. REVIEW OF FEDERAL AGRICULTURE CREDIT**  
 21 **POLICIES.**

22 The Secretary of Agriculture, in consultation with the  
 23 Secretary of the Treasury, the Chairman of the Board of  
 24 Governors of the Federal Reserve System, and the Chair-



1 man of the Board of the Farm Credit Administration,  
 2 shall establish an interagency working group to study—

3 (1) the extent to which Federal lending prac-  
 4 tices and policies have contributed, or are contribut-  
 5 ing, to market concentration in the livestock and  
 6 dairy sectors of the national economy; and

7 (2) whether Federal policies regarding the fi-  
 8 nancial system of the United States adequately take  
 9 account of the weather and price volatility risks in-  
 10 herent in livestock and dairy enterprises.

11 **SEC. 106. STREAMLINING AND CONSOLIDATING THE UNIT-**  
 12 **ED STATES FOOD INSPECTION SYSTEM.**

13 (a) PREPARATION.—In consultation with the Sec-  
 14 retary of Agriculture, the Secretary of Health and Human  
 15 Services, and all other interested parties, the President  
 16 shall prepare a plan to consolidate the United States food  
 17 inspection system that ensures the best use of available  
 18 resources to improve the consistency, coordination, and ef-  
 19 fectiveness of the United States food inspection system,  
 20 taking into account food safety risks.

21 (b) SUBMISSION.—Not later than 1 year after the  
 22 date of enactment of this Act, the President shall submit  
 23 to Congress the plan prepared under subsection (a).

1 **SEC. 107. LABELING SYSTEM FOR MEAT AND MEAT FOOD**  
2 **PRODUCTS PRODUCED IN THE UNITED**  
3 **STATES.**

4 (a) LABELING.—Section 7 of the Federal Meat In-  
5 spection Act (21 U.S.C. 607) is amended by adding at  
6 the end the following:

7 “(g) LABELING OF MEAT OF UNITED STATES ORI-  
8 GIN.—

9 “(1) IN GENERAL.—The Secretary shall develop  
10 a system for the labeling of carcasses, parts of car-  
11 carcasses, and meat produced in the United States  
12 from livestock raised in the United States, and meat  
13 food products produced in the United States from  
14 the carcasses, parts of carcasses, and meat, to indi-  
15 cate the United States origin of the carcasses, parts  
16 of carcasses, meat, and meat food products.

17 “(2) ASSISTANCE.—The Secretary shall provide  
18 technical and financial assistance to establishments  
19 subject to inspection under this title to implement  
20 the labeling system.

21 “(3) AUTHORIZATION OF APPROPRIATIONS.—  
22 There are authorized to be appropriated such sums  
23 as are necessary to carry out this subsection.”.

1 **SEC. 108. SENSE OF SENATE ON INTERSTATE SHIPMENT OF**  
2 **STATE-INSPECTED MEAT, POULTRY, AND**  
3 **EGGS.**

4 It is the sense of the Senate that—

5 (1) not later than 90 days after the date of en-  
6 actment of this Act, the Secretary of Agriculture  
7 should convene a public meeting of State inspection  
8 officials and all other interested parties to determine  
9 whether the interstate shipment of State-inspected  
10 meat, poultry, and egg products should be per-  
11 mitted; and

12 (2) the meeting should be structured to ensure  
13 that all parties are given an opportunity to present  
14 their views on the subject described in paragraph  
15 (1).

16 **SEC. 109. EXCHANGE OF CATTLE PRODUCTION DATA WITH**  
17 **CANADA.**

18 The Secretary of Agriculture shall seek immediate  
19 consultation with the Minister of Agriculture of Canada  
20 to provide for a regular monthly exchange of cattle pro-  
21 duction data, including cattle on feed, cattle slaughtered,  
22 and cattle and beef shipped to the United States.

1 **TITLE II—MARKET ACCESS FOR**  
2 **UNITED STATES MEAT PROD-**  
3 **UCTS**

4 **SEC. 201. SHORT TITLE.**

5 This title may be cited as the “Meat Products Market  
6 Access Act of 1997”.

7 **Subtitle A—Identification of**  
8 **Countries**

9 **SEC. 211. FINDINGS; PURPOSES.**

10 (a) FINDINGS.—Congress makes the following find-  
11 ings:

12 (1) The export of meat and meat products is of  
13 vital importance to the economy of the United  
14 States.

15 (2) In 1995, agriculture was the largest positive  
16 contributor to the United States merchandise trade  
17 balance with a trade surplus of \$25,800,000,000.

18 (3) The growth of exports of United States  
19 meat and meat products should continue to be an  
20 important factor in improving the United States  
21 merchandise trade balance.

22 (4) Increasing exports of meat and meat prod-  
23 ucts will increase farm income in the United States,  
24 thereby protecting family farms and contributing to

1 the economic well-being of rural communities in the  
2 United States.

3 (5) Although the United States efficiently pro-  
4 duces high-quality meat and meat products, United  
5 States producers cannot realize their full export po-  
6 tential because many foreign countries deny fair and  
7 equitable market access to United States agricul-  
8 tural products.

9 (6) The Foreign Agricultural Service estimates  
10 that United States agricultural exports are reduced  
11 by \$4,700,000,000 annually due to unjustifiable im-  
12 position of sanitary and phytosanitary measures that  
13 deny or limit market access to United States prod-  
14 ucts.

15 (7) The denial of fair and equitable market ac-  
16 cess for United States meat and meat products im-  
17 pedes the ability of United States farmers to export  
18 their products, thereby harming the economic inter-  
19 ests of the United States.

20 (b) PURPOSES.—The purposes of this subtitle are—

21 (1) to reduce or eliminate foreign unfair trade  
22 practices and to remove constraints on fair and open  
23 trade in meat and meat products;

1           (2) to ensure fair and equitable market access  
 2       for exports of United States meat and meat prod-  
 3       ucts; and

4           (3) to promote free and fair trade in meat and  
 5       meat products.

6 **SEC. 212. IDENTIFICATION OF COUNTRIES THAT DENY**  
 7                           **MARKET ACCESS.**

8       (a) IDENTIFICATION REQUIRED.—Chapter 8 of title  
 9 I of the Trade Act of 1974 is amended by adding at the  
 10 end the following:

11 **“SEC. 183. IDENTIFICATION OF COUNTRIES THAT DENY**  
 12                           **MARKET ACCESS FOR MEAT AND MEAT**  
 13                           **PRODUCTS.**

14       “(a) IN GENERAL.—Not later than the date that is  
 15 30 days after the date on which the annual report is re-  
 16 quired to be submitted to Congressional committees under  
 17 section 181(b), the United States Trade Representative  
 18 (hereafter in this section referred to as the ‘Trade Rep-  
 19 resentative’) shall identify—

20           “(1) those foreign countries that—

21                   “(A) deny fair and equitable market access  
 22           to United States meat and meat products, or

23                   “(B) apply standards for the importation  
 24           of meat and meat products from the United  
 25           States that are not related to public health con-

1           cerns or cannot be substantiated by reliable an-  
2           alytical methods; and

3           “(2) those foreign countries identified under  
4           paragraph (1) that are determined by the Trade  
5           Representative to be priority foreign countries.

6           “(b) SPECIAL RULES FOR IDENTIFICATIONS.—

7           “(1) CRITERIA.—In identifying priority foreign  
8           countries under subsection (a)(2), the Trade Rep-  
9           resentative shall only identify those foreign coun-  
10          tries—

11           “(A) that engage in or have the most oner-  
12           ous or egregious acts, policies, or practices that  
13           deny fair and equitable market access to United  
14           States meat and meat products,

15           “(B) whose acts, policies, or practices de-  
16           scribed in subparagraph (A) have the greatest  
17           adverse impact (actual or potential) on the rel-  
18           evant United States products, and

19           “(C) that are not—

20           “(i) entering into good faith negotia-  
21           tions, or

22           “(ii) making significant progress in  
23           bilateral or multilateral negotiations,  
24           to provide fair and equitable market access to  
25           United States meat and meat products.

1           “(2) CONSULTATION AND CONSIDERATION RE-  
2           QUIREMENTS.—In identifying priority foreign coun-  
3           tries under subsection (a)(2), the Trade Representa-  
4           tive shall—

5                   “(A) consult with the Secretary of Agri-  
6                   culture and other appropriate officers of the  
7                   Federal Government, and

8                   “(B) take into account information from  
9                   such sources as may be available to the Trade  
10                  Representative and such information as may be  
11                  submitted to the Trade Representative by inter-  
12                  ested persons, including information contained  
13                  in reports submitted under section 181(b) and  
14                  petitions submitted under section 302.

15           “(3) FACTUAL BASIS REQUIREMENT.—The  
16           Trade Representative may identify a foreign country  
17           under subsection (a)(1) only if the Trade Represent-  
18           ative finds that there is a factual basis for the denial  
19           of fair and equitable market access as a result of the  
20           violation of international law or agreement, or the  
21           existence of barriers, referred to in subsection  
22           (d)(3).

23           “(4) CONSIDERATION OF HISTORICAL FAC-  
24           TORS.—In identifying foreign countries under para-



1 graphs (1) and (2) of subsection (a), the Trade Rep-  
2 resentative shall take into account—

3 “(A) the history of meat and meat prod-  
4 ucts trade relations with the foreign country,  
5 including any previous identification under sub-  
6 section (a)(2), and

7 “(B) the history of efforts of the United  
8 States, and the response of the foreign country,  
9 to achieve fair and equitable market access for  
10 United States meat and meat products.

11 “(c) REVOCATIONS AND ADDITIONAL IDENTIFICA-  
12 TIONS.—

13 “(1) AUTHORITY TO ACT AT ANY TIME.—If in-  
14 formation available to the Trade Representative indi-  
15 cates that such action is appropriate, the Trade  
16 Representative may at any time—

17 “(A) revoke the identification of any for-  
18 eign country as a priority foreign country under  
19 this section, or

20 “(B) identify any foreign country as a pri-  
21 ority foreign country under this section.

22 “(2) REVOCATION REPORTS.—The Trade Rep-  
23 resentative shall include in the semiannual report  
24 submitted to the Congress under section 309(3) a  
25 detailed explanation of the reasons for the revocation

1 under paragraph (1) of the identification of any for-  
2 eign country as a priority foreign country under this  
3 section.

4 “(d) FAIR AND EQUITABLE MARKET ACCESS.—For  
5 purposes of this section, a foreign country denies fair and  
6 equitable market access if the foreign country effectively  
7 denies access to a market for a product through the use  
8 of laws, procedures, practices, or regulations which—

9 “(1) violate provisions of international law or  
10 international agreements to which both the United  
11 States and the foreign country are parties, or

12 “(2) constitute discriminatory nontariff trade  
13 barriers.

14 “(e) PUBLICATION.—The Trade Representative shall  
15 publish in the Federal Register a list of foreign countries  
16 identified under subsection (a) and shall make such revi-  
17 sions to the list as may be required by reason of the action  
18 under subsection (c).

19 “(f) ANNUAL REPORT.—The Trade Representative  
20 shall, not later than the date by which countries are identi-  
21 fied under subsection (a), transmit to the Committee on  
22 Ways and Means and the Committee on Agriculture of the  
23 House of Representatives and the Committee on Finance  
24 and the Committee on Agriculture, Nutrition, and For-  
25 estry of the Senate, a report on the actions taken under

1 this section during the 12 months preceding such report,  
 2 and the reasons for such actions, including a description  
 3 of progress made in achieving fair and equitable market  
 4 access for United States meat and meat products.”.

5 (b) CLERICAL AMENDMENT.—The table of contents  
 6 for the Trade Act of 1974 is amended by inserting after  
 7 the item relating to section 182 the following:

“Sec. 183. Identification of countries that deny market access for meat and  
 meat products.”.

8 **SEC. 213. INVESTIGATIONS.**

9 (a) INVESTIGATION REQUIRED.—Subparagraph (A)  
 10 of section 302(b)(2) of the Trade Act of 1974 (19 U.S.C.  
 11 2412(b)(2)) is amended by inserting “or 183(a)(2)” after  
 12 “section 182(a)(2)” in the matter preceding clause (i).

13 (b) CONFORMING AMENDMENT.—Subparagraph (D)  
 14 of section 302(b)(2) of such Act is amended by inserting  
 15 “concerning intellectual property rights that is” after  
 16 “any investigation”.

17 **SEC. 214. AUTHORIZED ACTIONS BY UNITED STATES TRADE**  
 18 **REPRESENTATIVE.**

19 Section 301(c)(1) of the Trade Act of 1974 (19  
 20 U.S.C. 2411(c)(1)) is amended—

21 (1) by striking “or” at the end of subparagraph  
 22 (C);

23 (2) by striking the period at the end of sub-  
 24 paragraph (D)(iii)(II) and inserting “; or”; and

(3) by adding at the end the following:

“(E) with respect to an investigation of a country identified under section 183(a)(1), to request that the Secretary of Agriculture (who, upon receipt of such a request, shall) direct the Food Safety and Inspection Service of the Department of Agriculture to review certifications for the facilities of such country that export meat and other agricultural products to the United States.”.

## **Subtitle B—Review of Third Country Meat Directive**

### **SEC. 221. FINDINGS.**

Congress makes the following findings:

(1) The European Union’s Third Country Meat Directive has been used to decertify more than 400 United States facilities exporting beef and pork products to the European Union even though United States health inspection procedures are equivalent to those provided for in the Third Country Meat Directive.

(2) An effect of the decertifications is to prohibit the importation of United States beef and pork products into the European Union.

1           (3) As a result of the decertifications, the high-  
2           ly competitive United States pork industry loses as  
3           much as \$60,000,000 each year from trade with Eu-  
4           ropean Union countries.

5           (4) In July 1987 and November 1990, at the  
6           request of affected United States industries, the  
7           United States initiated investigations under section  
8           301 of the Trade Act of 1974 into the European  
9           Union's administration of the Third Country Meat  
10          Directive and sought resolution of the meat and  
11          pork trade problems through the dispute settlement  
12          process established under the General Agreement on  
13          Tariffs and Trade.

14          (5) The United States Trade Representative  
15          preliminarily concluded on October 10, 1992, that  
16          the European Union's administration of the Third  
17          Country Meat Directive created a burden on and re-  
18          stricted United States commerce.

19          (6) Bilateral talks, initiated as a result of that  
20          finding, resulted in an Exchange of Letters in which  
21          the United States and the European Union con-  
22          cluded that the meat inspection systems of the Unit-  
23          ed States and the European Union provided "equiv-  
24          alent safeguards against public health risks" and

1       agreed to take steps to resolve remaining differences  
2       regarding meat inspection.

3           (7) Even though the United States terminated  
4       the section 301 investigation as a result of the Ex-  
5       change of Letters, the United States determined  
6       that the practices under investigation would have  
7       been actionable if an acceptable agreement had not  
8       been reached.

9           (8) United States meat and pork producers  
10       have displayed consistent interest in exporting prod-  
11       ucts to the European Union and have undertaken  
12       substantial investment to take the steps specified by  
13       the Exchange of Letters.

14          (9) The European Union has failed to acknowl-  
15       edge changes in plant safety and inspection proce-  
16       dures undertaken in the United States specifically at  
17       the European Union's request and has not fulfilled  
18       its obligation to inspect and relist United States pro-  
19       ducers who have taken the steps specified by the Ex-  
20       change of Letters.

21          (10) The actions of the European Union in con-  
22       ducting United States plant inspections places the  
23       European Union in violation of commitments made  
24       in the Exchange of Letters.

1           (11) The European Union, in addition to being  
 2           a party to the Exchange of Letters, is a signatory  
 3           to GATT 1994 and to the Agreement on the Appli-  
 4           cation of Sanitary and Phytosanitary Measures,  
 5           which requires that meat and pork inspection proce-  
 6           dures under Department of Agriculture regulations  
 7           be treated as equivalent to inspection procedures re-  
 8           quired by the European Union under the Third  
 9           Country Meat Directive.

10           (12) Whenever a foreign country is not satisfac-  
 11           torily implementing an international trade measure  
 12           or agreement, the United States Trade Representa-  
 13           tive is required under section 306(b)(1) of the Trade  
 14           Act of 1974 (19 U.S.C. 2416(b)(1)) to determine  
 15           the actions to be taken under section 301(a) of such  
 16           Act.

17 **SEC. 223. DEFINITIONS.**

18           For purposes of this subtitle:

19           (1) EXCHANGE OF LETTERS.—The term “Ex-  
 20           change of Letters” means the exchange of letters  
 21           concerning the application of the Community Third  
 22           Country Directive, signed in May 1991 and Novem-  
 23           ber 1992, which constitute the agreement between  
 24           the United States and the European Economic Com-  
 25           munity regarding the Third Country Meat Directive.

1           (2) GATT 1994.—The term “GATT 1994”  
 2       means the General Agreement on Tariffs and Trade  
 3       annexed to the WTO Agreement.

4           (3) THIRD COUNTRY MEAT DIRECTIVE; COMMU-  
 5       NITY THIRD COUNTRY DIRECTIVE.—The terms  
 6       “Third Country Meat Directive” and “Community  
 7       Third Country Directive” mean the European  
 8       Union’s Council Directive 72/462/EEC relating to  
 9       inspection and certification of slaughter and process-  
 10      ing plants that export meat and pork products to  
 11      the European Union.

12          (4) WTO AGREEMENT.—The term “WTO  
 13      Agreement” means the Agreement establishing the  
 14      World Trade Organization entered into on April 15,  
 15      1994.

16 **SEC. 224. REQUIREMENT FOR DETERMINATION BY UNITED**  
 17 **STATES TRADE REPRESENTATIVE.**

18      Not later than 30 days after the date of enactment  
 19      of this Act, the United States Trade Representative shall  
 20      determine, for purposes of section 306(b)(1) of the Trade  
 21      Act of 1974, whether the European Union has failed to  
 22      implement satisfactorily its obligations under the Ex-  
 23      change of Letters, the Agreement on the Application of  
 24      Sanitary and Phytosanitary Measures, or any other Agree-  
 25      ment.



1 **SEC. 225. REQUEST FOR DISPUTE SETTLEMENT.**

2       If the United States Trade Representative determines  
3 under section 224 that the European Union has failed to  
4 implement satisfactorily its obligations under the Ex-  
5 change of Letters, the Agreement on the Application of  
6 Sanitary and Phytosanitary Measures, or any other agree-  
7 ment, the United States Trade Representative shall  
8 promptly request proceedings on the matter under the for-  
9 mal dispute settlement procedures applicable to the agree-  
10 ment.

11 **SEC. 226. REVIEW OF CERTAIN MEAT FACILITIES.**

12       (a) REVIEW BY FOOD SAFETY AND INSPECTION  
13 SERVICE.—If the United States Trade Representative de-  
14 termines pursuant to section 224 that the European  
15 Union has failed to implement satisfactorily its obligations  
16 under the Exchange of Letters, the Agreement on the Ap-  
17 plication of Sanitary and Phytosanitary Measures, or any  
18 other Agreement, the United States Trade Representative  
19 shall request the Secretary of Agriculture (who, upon re-  
20 ceipt of the request, shall) direct the Food Safety and In-  
21 spection Service of the Department of Agriculture to re-  
22 view certifications for European Union facilities that im-  
23 port meat and other agricultural products into the United  
24 States.

25       (b) RELATIONSHIP TO USTR AUTHORITY.—The re-  
26 view authorized under subsection (a) is in addition to the

1 authority of the United States Trade Representative to  
2 take actions described in section 301(c)(1) of the Trade  
3 Act of 1974 (19 U.S.C. 2411(c)(1)).

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